

BCLC DIRECTIVE

SOURCE OF FUNDS DECLARATION

Effective Date: January 10th, 2018



Effective January 10th, 2018 all cash and bearer monetary instruments (bank drafts/certified cheques) of \$10,000 or more will require a source of funds (SOF) receipt by the patron prior to acceptance for buy-in at all BCLC Gaming Service Provider locations. This receipt will be documented on a revised Reasonable Measures (RM) form and shall be scanned into iTrak for all LCT entries.

This change follows an interim report to the Attorney General's office from the Peter German review currently underway. We currently have a source of funds process for patrons flagged in iTrak by the AML Unit however, this new process will apply to ALL cash and bank draft/ certified cheque buy-ins for \$10,000 or more. This also includes incremental table buy-ins when they reach the \$10,000 threshold. The reported amount for incremental buy-ins must be reported in full once the amount reaches \$10,000. The cash receipt will be required before the patron is allowed to buy-in and will be reviewed daily by the AML Unit.

The required receipt must be an original which aligns with the amount and denominations expected for the buy-in. The receipt shall be retained by the Service Provider and scanned into the associated iTrak LCT entry for the patron. If the receipt is not from the same day of use, further inquiries need to be made to confirm it is legitimate. An example of this might include cash withdrawn prior to a long weekend by a patron, however, a receipt that is two weeks old would not be reasonable. If Service Provider staff find the circumstances suspicious in any way the buy-in must be refused and documented as an Unusual Financial Transaction incident in iTrak.

The Reasonable Measures form has been updated and now contains both the RM questions and the SOF Declaration on one form. Effective January 10th, 2018 when a patron attempts to buy-in with \$10,000 or more, they shall be advised of the new SOF process and that a receipt is now required for the cash. **A notation must be made on their iTrak subject profile in the comments field that indicates they have now been advised of the new SOF program.** On all subsequent cash buy-ins of \$10,000 or more where the patron does not provide a receipt, an iTrak file must be created for a "refused SOF request" for investigation by the AML Unit.

Where a player is buying-in with cash that was paid out to the player by a casino for casino winnings, the Gaming Service Provider must confirm the player was paid out an amount that is consistent with the buy-in amount and the date of the prior cash-outs. This would include contacting the casino that paid out the disbursement in order to confirm the amount, date and denominations. If you are unable to obtain the required information from the casino that paid the patron out, you should contact BCLC for confirmation. In these circumstances, "pay out from casino" shall be indicated in the account number field of the RM/SOF Form including the casino name and the amount received by the patron.

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Once completed, the employee documenting the information shall print and sign their name at the bottom of the RM/SOF form, along with their GPEB number and the date. The employee signing the form is certifying that the information is complete and accurate.

This RM/SOF form must also be signed by the patron for cash buy-ins of \$10,000 or more, including incremental buy-ins at the tables. The transaction that triggers the \$10,000 threshold shall not be completed until the RM/SOF form is completed and signed by the patron.



Please ensure a copy of the completed form is scanned into the media file of the iTrak LCT report and that it is legible.

The next release of BCLC Casino Policies and Procedures will incorporate these changes and replace this directive.

If you have any questions regarding this directive, please contact the AML Unit at aml@bclc.com.

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Sincerely,

A handwritten signature in black ink, appearing to read 'Daryl Tottenham', written over a light blue horizontal line.

Daryl Tottenham
AML, Programs Manager

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\$10,000 Source of Funds Process Question and Answer Sheet Effective January 10th, 2018



Q. If a patron attends with \$10,000 in cash and when asked, refuses to provide any information as to where they obtained the cash, do I document their answer and allow them to buy-in anyway?

A. No. The information and receipt must be obtained prior to accepting the cash for buy-in. In this example, the bank information is required and the fact that they have refused to provide the information just adds to the suspicious nature of the incident.

Q. If the patron provides a receipt with the bank name and location but does not show their name or account number, is it ok to leave out?

A. No, the information must be obtained in full. The player needs to be advised the account number is required if it is not shown on the receipt and they can return once they have obtained the information.

Q. When asked, if the patron advises they got the funds from their safe at home, is that sufficient?

A. No, that does not explain where the funds came from. The patron must provide a receipt to show where the funds were obtained and when. If they are unable to provide a reasonable explanation for a receipt that is a week or two old, the buy-in needs to be refused.

Q. What if the patron advises they got the funds from a friend that owed them money?

A. No, that still does not explain the origin of the funds. It is expected that cash buy-ins of \$10,000 or more likely originated from a financial institution and that is what needs to be shown. If the cash they have was received from a friend, they need to be advised to deposit it to their bank account and then withdraw the cash for their buy-in, and bring in the receipt.

Q. What if the patron advises their funds are from previous casino winnings?

A. You need to obtain as much detail as possible including the casino where they were paid out, the date and the amount won. The denominations need to reflect what would be expected from a casino i.e. likely \$100's and/or \$50's. The cage supervisor should contact that site and confirm the disbursement details for the patron.

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Q. If a patron attends to buy-in with cash of \$10,000 or more and does not have a receipt as they were not aware of the SOF changes, what should we do?

A. The patron should be advised that they need to return to the bank and get a receipt before the cash will be accepted. You must document the fact that they have now been advised about the SOF program and place a note in the comments field of their subject profile confirming they have been advised of the SOF changes and the date advised. Any further attempts to buy-in with cash without a receipt must be documented in an iTrak UFT file.



Q. If a patron is subsequently refused a buy-in for any reason, do we have to document the incident in iTrak?

A. Yes, in every instance you should have an iTrak file created and document the patron's information, amount of attempted buy-in and provide details of what information was provided and why it was refused. Create the incident under a UFT dropdown with "refused buy-in" in the details to flag it to the AML Unit.

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Q. If the patron buy-in is allowed, do we still have to create a RM/SOF form?

A. Yes, a RM/SOF form is required for the initial buy-in and all subsequent increments of \$10,000.

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Q. Once the information for SOF is completed, does the patron have to sign anything?

A. Yes, the patron must sign the RM/SOF form certifying that the information they have provided is true and complete.

Q. If a patron is refused for a cash buy-in and asks why, should we tell them that it is because we think the source of the cash is suspicious or possibly proceeds of crime?

A. No, you should explain that it is being refused because of policy changes with BCLC, which require a same day receipt and that they should consider taking the cash to their bank to obtain a receipt or a bank draft.

Q. If the patron provides a reasonable explanation for their source of their funds, do I have to ask them the same questions the next time they buy in?

A. Yes, a RM/SOF form must be completed for each buy-in of \$10,000 or more, which includes a receipt for further cash buy-ins. The BCLC AML team will be reviewing these files and conduct the appropriate follow up if needed.

Q. If the patron has several small buy-ins and finally hits the \$10,000 threshold, do I ask the SOF questions for the last buy-in or the entire amount of the buy-ins?

A. You need to ask for the receipt for the entire amount, which includes all buy-ins leading up to the last one that hit the \$10,000 threshold. If they are unable to produce a receipt, no further cash buy-ins can be accepted from them.

Q. If a patron has been playing on different tables or areas and has now hit the \$10,000 threshold, what should be done?

A. When the patron hits the \$10,000 threshold, their play must be stopped until the RM/SOF form can be completed and signed by the patron. You should print off a copy of the form and have a supervisor attend the table where the patron is sitting and complete the form by hand. Once they have provided the receipt for their cash, have the patron sign to certify the information they provided. Once completed the patron may continue play and the handwritten RM/SOF form must be scanned into the LCT entry in iTrak.



Q. If a patron is cashing out with a substantial amount of chips and is concerned they may have problems buying back in with their winnings, what should we advise them?

A. Patrons should be encouraged to take a convenience cheque whenever possible if they plan to return to play again. Cheques (convenience or verified win) do not require receipts and are quick and easy to buy-in with. It is also safer to leave with a cheque as opposed to a large amount of cash.

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Q. If we encounter a situation and require assistance, can we contact BCLC Investigators?

A. If you are unsure of how to proceed with a situation, contact your shift supervisor and discuss the issue. If you are still in doubt, contact the BCLC Investigator assigned to your site. If you are unable to contact your Investigator, you can contact the AML Unit directly. Patrons should always be encouraged to consider opening a PGF account (where available) and use bank drafts instead of cash for buy-ins.

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Q. Where is the information being stored and who has access to it? How will you be using the information?

A. The information will be stored in the BCLC system along with all other data that is required to be collected by FINTRAC reporting guidelines. The information will not be shared with anybody and will be managed pursuant to FINTRAC regulations.

Revised Reasonable Measures and Source of Funds Form (RM/SOF Form)



Date Completed: ID confirmed? Yes No

Guest Name / SID #:

Ask the guest if he/she was acting on behalf of a third party. "Are you buying in or cashing out on behalf of someone else?" Answer:

- Yes (third party transaction confirmed)
- No (funds belong to individual)
- Undetermined (see reason why below)

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Time	Buy-in / Cash-out Amount	Employee name/GPEB
<input type="text"/>	B <input type="checkbox"/> C <input type="checkbox"/> \$ <input type="text"/> Yes <input type="checkbox"/> No <input type="checkbox"/> UND <input type="checkbox"/>	<input type="text"/>
<input type="text"/>	B <input type="checkbox"/> C <input type="checkbox"/> \$ <input type="text"/> Yes <input type="checkbox"/> No <input type="checkbox"/> UND <input type="checkbox"/>	<input type="text"/>
<input type="text"/>	B <input type="checkbox"/> C <input type="checkbox"/> \$ <input type="text"/> Yes <input type="checkbox"/> No <input type="checkbox"/> UND <input type="checkbox"/>	<input type="text"/>

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Why Reasonable measures were unsuccessful:

SOURCE OF FUNDS DECLARATION (Buy-ins of \$10,000 or more)

Amount of buy-in requested: Cash Draft Certified Cheque

Notes:

Ask the guest where they acquired the funds from for this buy-in? (This information is mandatory and must be specific)

Financial Institution: Branch Account #

Do they have a receipt for the funds? Yes No Is this a new customer? Yes No
Does the guest have an existing PGF account? Yes No

Signature of registered gaming worker certifying source of funds information

Print name of individual certifying information GPEB # Date

Name of patron certifying this information: (please print name)

Date: Patron signature: